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CENTRAL INTELLIGENCE AGENCY

INFORMATION REPORT

REPORT

CD NO.

COUNTRY

East Germany

DATE DISTR.

SUBJECT

Deutsche Waren-Vertriebsgesellschaft

NO. OF PAGES 3

PLACE
ACQUIREDNO. OF ENCLS.
(LISTED BELOW)

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DATE OF
INFO.SUPPLEMENT TO
REPORT NO.

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THIS IS UNEVALUATED INFORMATION

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1. Since the establishment of Chemiepha G.m.b.H. in May of 1954 (sic), Neuen¹ (fnu) has become managing director of Chemiepha. The department which he had formerly headed in the DWV (Deutsche Waren-Vertriebsgesellschaft m.b.H.) was transferred intact to Chemiepha. This department, when connected with the DWV, had conducted only strictly illegal transactions, i.e. both purchases of critical (Engpass) materials and sales of valuable goods, which were sold through diverse channels in order to obtain hard currencies.

2. The DWV works exclusively with finances placed at its disposal by the Central Committee of the SED.

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3. The following are concerns or individuals with whom the DWV has business dealings:

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- a. East Germany - All plants of the polygraphic, sugar-production, and fertilizer-production industries. The routine is as follows: on the basis of materiel allotments, the plant plans what it can produce. In accordance with these plans of the individual plants, the total Plan is assembled by the Main Department of Machinery in the Ministry for Light Industry. This plan is then passed to the Ministry for Foreign and Internal Trade. The plan states what has been planned in the polygraphic industry, for example, and what can be fulfilled, and inquires what production for export the Ministry for Foreign and Domestic Trade desires. This Ministry, after coordinating with the

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DWV, informs the Ministry for Light Industry of its export requirements. The coordinating on the plan is achieved in a meeting of the appropriate main department and the DWV directorate. Then the Export Plan is assembled, and an attempt is made to plan exports according to quarters. 25X1

d USSR - The DWV has connections with Soyuzprom, Moscow, [redacted] 25X1
[redacted] Of the 60,000 tons of ammonium sulfate intended for 25X1
Soyuzprom in 1954, 40,000 tons have already been delivered [redacted] 25X1

[redacted] This ammonium sulfate was intended for direct sale to the West. Through the change in the Plan which occurred, this amount was set aside for Soyuzprom. Since the USSR pays in rubles according to its trade agreement and resells for hard currencies, these transactions might be considered indirect reparations. 25X1

4. Certain members of the directorate of DWV have dealings with the Soviet Trade Representation, which is located partly in the Brannenstrasse and partly in the Soviet Embassy building on Unter den Linden. These members are: Laengert (fma) - fertilizers and coal; Tschoerner, Rudi - sugar; and Neubert, Fritz - polygraphic industry. The transactions take place without interpreters, since almost all of the Soviet representatives have a good command of the German language. The Soviet representatives very seldom come to the offices of the DWV, and then only to the offices of the directorate.

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6. Ammonium sulfate is sold to China (China National Chemical Import Corporation - purchaser) through Szczecin (Stettin) or Gdansk (Danzig). 25X1

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